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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R08-OAR-2012-0350; FRL-9815-2]

Approval and Promulgation of State Implementation Plans; State of Utah; Interstate Transport of Pollution for the 2006 PM_{2.5} NAAQS

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing to disapprove a portion of a State Implementation Plan (SIP) submission from the State of Utah that is intended to demonstrate that its SIP meets certain interstate transport requirements of the Clean Air Act (“Act” or “CAA”) for the 2006 fine particulate matter (“PM_{2.5}”) National Ambient Air Quality Standards (NAAQS). This SIP submission addresses the requirement that Utah's SIP contain adequate provisions to prohibit air emissions from adversely affecting another state's air quality through interstate transport. Specifically, EPA is proposing to disapprove the portion of the Utah SIP submission that addresses the CAA requirement prohibiting emissions from Utah sources from significantly contributing to nonattainment of the 2006 PM_{2.5} NAAQS in any other state or interfering with maintenance of the 2006 PM_{2.5} NAAQS by any other state. Under a recent court decision, this disapproval does not trigger an obligation for EPA to promulgate a Federal Implementation Plan (FIP) to address these interstate transport requirements.

DATES: Comments must be received on or before [Insert date 30 days after publication in the Federal Register].

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-R08-OAR-2012-

0350, by one of the following methods:

- <http://www.regulations.gov>. Follow the on-line instructions for submitting comments.
- E-mail: clark.adam@epa.gov.
- Fax: (303) 312-6064 (please alert the individual listed in the **FOR FURTHER INFORMATION CONTACT** if you are faxing comments).
- Mail: Carl Daly, Director, Air Program, Environmental Protection Agency (EPA), Region 8, Mailcode 8P-AR, 1595 Wynkoop Street, Denver, Colorado 80202-1129.
- Hand Delivery: Carl Daly, Director, Air Program, Environmental Protection Agency (EPA), Region 8, Mailcode 8P-AR, 1595 Wynkoop, Denver, Colorado 80202-1129. Such deliveries are only accepted Monday through Friday, 8:00 a.m. to 4:30 p.m., excluding Federal holidays. Special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA-R08-OAR-2012-0350.

EPA's policy is that all comments received will be included in the public docket without change and may be made available online at <http://www.regulations.gov>, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through <http://www.regulations.gov> or e-mail. The <http://www.regulations.gov> Web site is an “anonymous access” system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment

directly to EPA, without going through <http://www.regulations.gov>, your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment.

Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses. For additional instructions on submitting comments, go to Section I.

General Information of the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: All documents in the docket are listed in the <http://www.regulations.gov> index.

Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly-available docket materials are available either electronically in <http://www.regulations.gov> or in hard copy at the Air Program, Environmental Protection Agency (EPA), Region 8, Mailcode 8P-AR, 1595 Wynkoop, Denver, Colorado 80202-1129. EPA requests that if at all possible, you contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section to view the hard copy of the docket. You may view the hard copy of the docket Monday through Friday, 8:00 a.m. to 4:00 p.m., excluding Federal holidays.

FOR FURTHER INFORMATION CONTACT: Adam Clark, Air Program, U.S.

Environmental Protection Agency, Region 8, Mailcode 8P-AR, 1595 Wynkoop, Denver, Colorado 80202-1129, (303) 312-7104, clark.adam@epa.gov.

SUPPLEMENTARY INFORMATION:

Definitions

For the purpose of this document, we are giving meaning to certain words or initials as follows:

- (i) The words or initials Act or CAA mean or refer to the Clean Air Act, unless the context indicates otherwise.
- (ii) The initials CAIR mean or refer to the Clean Air Interstate Rule
- (iii) The initials CSAPR mean or refer to the Cross-State Air Pollution Rule
- (iv) The words EPA, we, us or our mean or refer to the United States Environmental Protection Agency.
- (v) The initials SIP mean or refer to State Implementation Plan.
- (vi) The initials UDEQ mean or refer to the Utah Department of Environmental Quality.
- (vii) The words Utah and State mean the State of Utah.

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I. General Information

What should I consider as I prepare my comments for EPA?

1. *Submitting CBI.* Do not submit CBI to EPA through <http://www.regulations.gov> or e-mail. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD ROM that you mail to EPA, mark the outside of the disk or CD ROM as CBI and then identify electronically within the disk or CD ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. *Tips for Preparing Your Comments.* When submitting comments, remember to:

- a. Identify the rulemaking by docket number and other identifying information (subject heading, Federal Register date and page number).
- b. Follow directions - The agency may ask you to respond to specific questions or organize comments by referencing a Code of Federal Regulations (CFR) part or section number.
- c. Explain why you agree or disagree; suggest alternatives and substitute language for your requested changes.
- d. Describe any assumptions and provide any technical information and/or data that you used.
- e. If you estimate potential costs or burdens, explain how you arrived at your estimate in sufficient detail to allow for it to be reproduced.
- f. Provide specific examples to illustrate your concerns, and suggest alternatives.

- g. Explain your views as clearly as possible, avoiding the use of profanity or personal threats.
- h. Make sure to submit your comments by the comment period deadline identified.

II. Background

A. 2006 PM_{2.5} NAAQS and Interstate Transport

Section 110(a)(2)(D)(i) of the CAA identifies four distinct elements related to the evaluation of impacts of interstate transport of air pollutants. In this action for the state of Utah, EPA is addressing the first two elements of section 110(a)(2)(D)(i) – the two elements contained in section 110(a)(2)(D)(i)(I) -- with respect to the 2006 PM_{2.5} NAAQS.¹ The first element requires that each SIP for a new or revised NAAQS contain adequate provisions to prohibit any source or other type of emissions activity within the state from emitting air pollutants that will “contribute significantly to nonattainment” of the NAAQS in another state. The second element requires that each SIP for a new or revised NAAQS contain adequate provisions to prohibit any source or other type of emissions activity in the state from emitting pollutants that will “interfere with maintenance” of the applicable NAAQS in any other state.

B. EPA Rules Addressing Interstate Transport for the 2006 PM_{2.5} NAAQS in the Eastern portion of the United States

EPA has addressed the requirements of section 110(a)(2)(D)(i)(I) for many states in the eastern portion of the country in three regulatory actions.² Most recently, EPA published the final Cross-State Air Pollution Rule (“CSAPR” or “Transport Rule”) to address the two elements

¹ This proposed action does not address the two elements of section 110(a)(2)(D)(i)(II) regarding interference with measures required to prevent significant deterioration of air quality or to protect visibility in another state. We will act on these elements in a separate rulemaking.

² See NOx SIP Call, 63 FR 57371 (October 27, 1998); Clean Air Interstate Rule (CAIR), 70 FR 25172 (May 12, 2005); and Transport Rule or Cross-State Air Pollution Rule, 76 FR 48208 (August 8, 2011).

of CAA section 110(a)(2)(D)(i)(I) in the Eastern United States with respect to the 2006 24-hour PM_{2.5} NAAQS, the 1997 annual PM_{2.5} NAAQS, and the 1997 8-hour ozone NAAQS (August 8, 2011, 76 FR 48208). CSAPR was intended to replace the earlier Clean Air Interstate Rule (CAIR) which was judicially remanded.³ See *North Carolina v. EPA*, 531 F.3d 896 (D.C. Cir. 2008). On August 21, 2012, the U.S. Court of Appeals for the D.C. Circuit issued a decision to vacate CSAPR. See *EME Homer City Generation, L.P. v. E.P.A.*, 696 F.3d 7 (D.C. Cir. 2012). The court also ordered EPA to continue implementing CAIR in the interim. On March 29, 2013, the United States and other parties asked the Supreme Court to review the *EME Homer City* decision. In the meantime, and unless the *EME Homer City* decision is reversed or otherwise modified, EPA intends to act in accordance with the opinion in *EME Homer City*.

Certain aspects of the *EME Homer City* opinion are potentially relevant to this proposed disapproval. First, the opinion concludes that a section 110(a)(2)(D)(i)(I) SIP submission cannot be considered a “required” SIP submission until EPA has defined a state's obligations pursuant to that section. See *EME Homer City*, 696 F.3d at 32 (“A SIP logically cannot be deemed to lack a ‘required submission’ or deemed to be deficient for failure to meet the good neighbor obligation before EPA quantifies the good neighbor obligation.”) EPA historically has interpreted section 110(a)(1) of the CAA as establishing the required submittal date for SIPs addressing all of the “interstate transport” requirements in section 110(a)(2)(D), including the provisions in section 110(a)(2)(D)(i)(I) regarding significant contribution to nonattainment and interference with maintenance. However, at this time in light of the *EME Homer City* opinion, EPA is not treating the section 110(a)(2)(D)(i)(I) SIP submission from Utah as a required SIP submission. Second,

³ CAIR addressed the 1997 annual and 24-hour PM_{2.5} NAAQS, and the 1997 8-hour ozone NAAQS. It did not address the 2006 24-hour PM_{2.5} NAAQS.

the *EME Homer City* opinion provides that EPA does not have authority to promulgate a FIP to address the requirements of section 110(a)(a)(2)(D)(i)(I) until EPA has identified emissions in a state that significantly contribute to nonattainment or interfere with maintenance of the NAAQS in another state and given the state an opportunity to submit a SIP to address those emissions.

EME Homer City, 696 F.3d at 28. Therefore, unless the *EME Homer City* decision is reversed or otherwise modified, any final disapproval would not obligate Utah to take any action or make a new SIP submission. Nor would it trigger an obligation for EPA to promulgate a FIP to address these interstate transport requirements.

C. EPA Guidance for SIP Submissions to Address Interstate Transport for the 2006 PM_{2.5} NAAQS

On September 25, 2009, EPA issued a guidance memorandum that provides recommendations to states for making SIP submissions to meet the requirements of CAA section 110(a)(2)(D)(i) for the 2006 PM_{2.5} standards (“2006 PM_{2.5} NAAQS Infrastructure Guidance” or “Guidance”).⁴ With respect to the requirement in section 110(a)(2)(D)(i)(I) to prohibit emissions that would contribute significantly to nonattainment of the NAAQS in any other state, the 2006 PM_{2.5} NAAQS Infrastructure Guidance essentially reiterated the recommendations for western states made by EPA in previous guidance addressing the 110(a)(2)(D)(i) requirements for the 1997 8-hour Ozone and 1997 PM_{2.5} NAAQS.⁵ The 2006 PM_{2.5} NAAQS Infrastructure Guidance advised states outside of the CAIR region to include in their section 110(a)(2)(D)(i)(I) SIP

⁴ See Memorandum from William T. Harnett entitled “Guidance on SIP Elements Required Under Sections 110(a)(1) and (2) for the 2006 24-Hour Fine Particle (PM_{2.5}) National Ambient Air Quality Standards (NAAQS),” September 25, 2009, available at http://www.epa.gov/ttn/caaa/t1/memoranda/20090925_harnett_pm25_sip_110a12.pdf.

⁵ See Memorandum from William T. Harnett entitled “Guidance for State Implementation Plan (SIP) Submission to Meet Current Outstanding Obligations Under Section 110(a)(2)(D)(i) for the 8-hour ozone and PM_{2.5} National Ambient Air Quality Standards,” August 15, 2006, available at http://www.epa.gov/ttn/caaa/t1/memoranda/section110a2di_sip_guidance.pdf.

submissions an adequate technical analysis to support their conclusions regarding interstate pollution transport, *e.g.*, information concerning emissions in the state, meteorological conditions in the state and in potentially impacted states, monitored ambient pollutant concentrations in the state and in potentially impacted states, distances to the nearest areas not attaining the NAAQS in other states, and air quality modeling.⁶ With respect to the requirement in section 110(a)(2)(D)(i)(I) to prohibit emissions that would interfere with maintenance of the NAAQS by any other state, the Guidance stated that SIP submissions must address this independent and distinct requirement of the statute and provide technical information appropriate to support the state's conclusions, such as information concerning emissions in the state, meteorological conditions in the state and in potentially impacted states, monitored ambient concentrations in the state and in potentially impacted states, and air quality modeling.

In assessing interstate transport of emissions from Utah, EPA continues to consider relevant the types of information that were suggested in the 2006 PM_{2.5} NAAQS Infrastructure Guidance. Such information may include, but is not limited to, the amount of emissions in the state relevant to the NAAQS in question, the meteorological conditions in the area, the distance from the state to the nearest monitors in other states that are appropriate receptors, or such other information as may be probative to consider whether sources in the state may contribute significantly to nonattainment or interfere with maintenance of the 2006 PM_{2.5} NAAQS in other states. Modeling can be relied on when acceptable modeling technical analyses are available, but

⁶ The 2006 PM_{2.5} NAAQS Infrastructure Guidance stated that EPA was working on a new rule to replace CAIR that would address issues raised by the court in the *North Carolina* case and that would provide guidance to states in addressing the requirements related to interstate transport in CAA section 110(a)(2)(D)(i)(I) for the 2006 PM_{2.5} NAAQS. It also noted that states could not rely on the CAIR rule for section 110(a)(2)(D)(i)(I) submissions for the 2006 24-hour PM_{2.5} NAAQS because the CAIR rule did not address this NAAQS. *See* 2006 PM_{2.5} NAAQS Infrastructure Guidance at 3.

EPA does not believe that modeling is required if other available information is sufficient to evaluate the presence or degree of interstate transport in a specific situation.

III. Utah's Submittal

On September 21, 2010, the Utah Department of Environmental Quality (UDEQ) made a submission certifying that Utah's SIP is adequate to implement the 2006 PM_{2.5} NAAQS for all the "infrastructure" requirements of CAA section 110(a)(2)(D), including the requirements of CAA section 110(a)(2)(D)(i)(I).⁷ UDEQ points to the CSAPR proposal as evidence that the State does not contribute significantly to PM_{2.5} NAAQS violations in down-wind states.

Specifically, the submission states;

On August 2, 2010, EPA proposed a new rule to replace the CAIR as a means to address interstate transport (see FR 75 No. 147, pp 45210). Again, there are certain western states that were found not to contribute in a significant way to any NAAQS violation, for either PM_{2.5} or ozone, in the down-wind states. Utah is among those states. EPA's assessment regarding these western states is undoubtedly based on a regional scale technical analysis, and Utah will point to that analysis in order to conclude that there are no current or future emissions from within its boundaries that either cause or contribute in a significant way to NAAQS violations in any of the down-wind states.

IV. EPA's Evaluation

If a state chooses to submit a SIP to address the requirements of section 110(a)(2)(D)(i)(I) for a particular NAAQS, and the state believes that the existing SIP adequately meets those requirements, then the state should submit a technical demonstration, relying on information relevant to the particular NAAQS, in support of the state's conclusion. EPA may supplement the

⁷ UDEQ's submission, dated September 21, 2010 is included in the docket for this action.

state's demonstration with information and analyses that EPA determines are relevant and consistent with EPA's interpretation of section 110(a)(2)(D)(i)(I).

In this case, Utah's submittal attempted to rely on statements in the CSAPR proposal to show that the state's current SIP was adequate for 110(a)(2)(D)(i)(I) for the 2006 PM_{2.5} NAAQS. The submittal stated that in CSAPR, "certain western states ... were found not to contribute in a significant way to any NAAQS violation, for either PM_{2.5} or ozone, in the down-wind states. Utah is among those states." This statement does not accurately characterize the analysis done during the development of CSAPR. EPA decided to conduct modeling to analyze interstate transport of emissions for only the eastern portion of the country. That decision, however, in no way constituted a determination about significant contribution or interference with maintenance for western states such as Utah that were outside the modeling domain. On the contrary, in the final CSAPR rule, EPA explained that "EPA is making no specific finding for states that are not fully contained within the eastern 12 km modeling domain."⁸ (76 FR 48220). As a result, the State's submittal is inadequate to demonstrate that the Utah SIP meets the requirements of 110(a)(2)(D)(i) for the 2006 PM_{2.5} NAAQS. The submittal does not correctly characterize the conclusions made during the CSAPR rulemaking process. In addition, it does not include any technical analysis or any demonstration that the existing SIP is adequate to prohibit emissions from Utah from significantly contributing to nonattainment or interfering with maintenance in another state. In particular, the Logan, Utah-Idaho multistate nonattainment area, which consists of one airshed in the Cache Valley, is located partially in Utah and partially in Idaho. Utah's submission provided no relevant information regarding the potential for interstate transport of

⁸ Utah was not fully contained within the CSAPR 12km modeling domain. See Air Quality Modeling Final Rule Technical Support Document (June 2011), at 5-6.

emissions from sources in the Utah portion of the Logan, Utah-Idaho nonattainment area to the Idaho portion of the nonattainment area. In addition, considering the close proximity and shared topography between the Utah portion of Cache Valley and the Franklin, Idaho portion, as well as other factors suggested in the 2009 Guidance (see section III.C), EPA cannot determine based on the weight of evidence that emissions from Utah do not contribute significantly to nonattainment or interfere with maintenance in another state.

As neither EPA's nor Utah's analysis has led to a factual finding that significant contribution does not exist, there is no basis for EPA to conclude that the existing SIP is adequate to satisfy the significant contribution to nonattainment and interference with maintenance elements of section 110(a)(2)(D)(i)(I). For these reasons, the SIP does not meet the requirements for approval and EPA thus proposes to disapprove the 110(a)(2)(D)(i)(I) portion of the SIP submittal.

This disapproval, however, neither constitutes a determination that Utah is significantly contributing to nonattainment in or interfering with maintenance in another state, nor quantifies Utah's obligations pursuant to section 110(a)(2)(D)(i)(I). Further, unless the D.C. Circuit's recent opinion in *EME Homer City Generation, L.P. v. E.P.A.*, 696 F.3d 7 (D.C. Cir. 2012) is reversed or otherwise modified,⁹ the disapproval proposed herein by itself would not require Utah to take any additional action related to the requirements of 110(a)(2)(D)(i)(I) for the 2006 PM_{2.5} NAAQS at this time and would not obligate EPA to promulgate a FIP to address those requirements. As explained above, in *EME Homer City*, the D.C. Circuit concluded that a 110(a)(2)(D)(i)(I) SIP cannot be "required" until sometime after EPA quantifies the state's

⁹ On March 29, 2013 the United States and other parties filed petitions for certiorari asking the Supreme Court to review the D.C. Circuit decision in *EME Homer City*, 696 F.3d 7 (D.C. Cir. 2012).

obligations pursuant to that section, and that EPA therefore cannot promulgate a FIP to address the requirements of 110(a)(2)(D)(i)(I) until after EPA has both quantified the state's obligation and given the state an initial opportunity to implement the obligations through a SIP. See *EME Homer City*, 696 F.3d at 28, 30-31. EPA has not yet determined whether Utah has any additional obligations under section 110(a)(2)(D)(i)(I) or quantified any such obligations. Therefore, pursuant to the *EME Homer City* decision, this 110(a)(2)(D)(i)(I) SIP submission from Utah was not a required SIP submission and thus Utah has no obligation at this time to resubmit a 110(a)(2)(D)(i)(I) SIP or take any other action related to the requirements of this section with respect to the 2006 PM_{2.5} NAAQS. In addition, unless the *EME Homer City* opinion is reversed or modified, final action on the disapproval proposed herein would also not trigger any FIP obligation under CAA section 110(c), because pursuant to *EME Homer City*, at this time EPA lacks authority to promulgate a FIP to address the 110(a)(2)(D)(i)(I) requirements. See *id.* at 28-37.

V. Proposed Action

EPA is proposing to disapprove the 110(a)(2)(D)(i)(I) portion of Utah's September 21, 2010 submission. We propose to disapprove this portion of the submission because it fails to demonstrate that the Utah SIP is adequate for the requirements of 110(a)(2)(D)(i)(I). As explained in detail above, unless the *EME Homer City* decision is reversed or modified, this disapproval will not trigger an obligation for EPA to promulgate a FIP to address these interstate transport requirements, nor will it require Utah to submit a revised interstate transport SIP to meet the requirements.

VI. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies

with the provisions of the Act and applicable federal regulations (42 USC 7410(k), 40 CFR 52.02(a)). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this proposed action merely disapproves some state law because it does not meet federal requirements; this proposed action does not impose additional requirements beyond those imposed by state law. For that reason, this proposed action:

- Is not a "significant regulatory action" subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 USC 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 USC 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999); is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 USC 272 note) because application of those requirements

would be inconsistent with the CAA; and,

- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this rule does not have Tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on Tribal governments or preempt Tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: May 8, 2013

Howard M. Cantor
Acting Regional Administrator
Region 8

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